

UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Competitive Product Prices  
Negotiated Service Agreement

Docket No. CP2017-259

PUBLIC REPRESENTATIVE COMMENTS ON  
POSTAL SERVICE REQUEST TO ACCEPT MODIFICATION TWO TO A GLOBAL  
PLUS 3 NEGOTIATED SERVICE AGREEMENT

(June 12, 2018)

**I. Introduction**

The Public Representative hereby provides comments pursuant to the Commission Notice initiating this docket.<sup>1</sup> In that Notice, the Commission established the above referenced docket to receive comments from interested persons, including the undersigned Public Representative, on the Postal Service's Request to Accept Modification Two to a Global Plus 3 Negotiated Service Agreement.<sup>2</sup>

Pursuant to 39 U.S.C. § 3633(a), the criteria for the Commission's review in this docket are that the Postal Service's competitive prices must not result in the subsidization of competitive products by market dominant products; ensure that each competitive product will cover its attributable costs; and, ensure that all competitive products collectively contribute an appropriate share of the institutional costs of the Postal Service.

**II. Comments**

In Order No. 4049, the Commission found that the agreement that is the subject of this docket fell within the Global Plus 3 product, and met the above-mentioned

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<sup>1</sup> PRC Notice Initiating Docket(s) for Recent Postal Service Negotiated Service Agreement Filings, Postal Service Request To Accept Modification Two to a Global Plus 3 Negotiated Service Agreement, June 6, 2018 (Notice).

<sup>2</sup> Request of the United States Postal Service to Accept Modification Two to a Global Plus 3 Negotiated Service Agreement CP2017-259, June 5, 2018 (Request).

statutory requirements provided the Postal Service Please filed a revised contract (Modification One) and an Annex showing discounts for those product(s) (Modification Two).<sup>3</sup> The Postal Service filed Modification One on August 24, 2017,<sup>4</sup> which was accepted by the Commission in Order No. 4049. The Postal Service filed Modification Two in this docket. The Postal Service also filed revised financial workpapers for all products included in this GEPS 3 product.

The Public Representative has reviewed the revised workpapers and the filed Annex. He concludes that the prices listed in the Annex are correctly included in the revised workpapers. He also concludes that the revised workpapers accurately calculate contract revenues and costs, and so the revised Agreement should cover its attributable costs, will not cause cost coverage for the product to fall below 100 percent, and therefore complies with the requirements of 39 U.S.C. § 3633(a).

The Public Representative respectfully submits the foregoing comments for the Commission's consideration.

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<sup>3</sup> Order No. 4049, Order Approving Additional Global Plus 3 Negotiated Service Agreement and Conditionally Approving Modification, Docket No. CP2017-259, August 17, 2017.

<sup>4</sup> Docket No. CP2017-259, Notice Of The United States Postal Service Of Filing Modification Two In Response To Order No. 4049, August 24, 2017.